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December 20, 2017

Via First Class Mail

U.S. Bureau of Land Management
Utah State Office
Attn. Sheri Wysong
440 West 200 South, Ste. 500
Salt Lake City, UT 84101

Re: Protest of March 20, 2018 Competitive Oil and Gas Lease Sale

Dear Ms. Wysong:

Pursuant to 43 C.F.R. § 3120.1-3, WildEarth Guardians hereby protests the Bureau of Land Management's ("BLM's") proposal to offer 43 publicly-owned oil and gas lease parcels containing 51,400.60 acres of land for competitive sale on March 20, 2018 in Utah.¹ The parcels are located in Grand and San Juan Counties in the Moab and Monticello Field Offices. The lease parcels include the following:²

Lease Serial Number	Acres	Field Office	County
UTU92994	884.05	Moab	Grand
UTU92995	669.04	Moab	Grand
UTU92996	1,520.00	Moab	Grand
UTU92997	1,920.00	Moab	Grand
UTU92998	337.68	Moab	Grand
UTU92999	1,874.04	Moab	Grand
UTU93000	624.24	Moab	Grand

¹ Notice of the lease sale is available at:

[https://www.blm.gov/sites/blm.gov/files/Programs OilandGas Leasing RegionalLeaseSales Utah 2018 Mar2018 NoticeOfSale 0.pdf](https://www.blm.gov/sites/blm.gov/files/Programs%20OilandGas%20Leasing%20RegionalLeaseSales%20Utah%202018%20Mar2018%20NoticeOfSale%200.pdf).

² A list of the final oil and gas lease sale parcels for March is available at the BLM's website at:

<https://eplanning.blm.gov/epl-front-office/projects/nepa/82261/126397/153994/2March2018ParcelList.pdf>.

UTU93001	1,920.00	Moab	Grand
UTU93002	1,400.00	Moab	Grand
UTU93003	1,920.00	Moab	Grand
UTU93004	480.00	Moab	Grand
UTU93005	715.76	Moab	Grand
UTU93006	360.00	Moab	San Juan
UTU93007	878.04	Moab	San Juan
UTU93008	988.72	Moab	San Juan
UTU93009	1,254.44	Moab	San Juan
UTU93010	300.00	Moab	San Juan
UTU93011	1,160.00	Moab	San Juan
UTU93012	80.00	Moab	San Juan
UTU93013	40.00	Moab & Monticello	San Juan
UTU93014	652.76	Moab & Monticello	San Juan
UTU93015	1,080.00	Monticello	San Juan
UTU93016	640.00	Monticello	San Juan
UTU93017	1,663.20	Monticello	San Juan
UTU93018	2,544.68	Monticello	San Juan
UTU93019	1,883.76	Monticello	San Juan
UTU93020	1,920.00	Monticello	San Juan
UTU93021	1,080.00	Monticello	San Juan
UTU93022	1,280.00	Monticello	San Juan
UTU93023	1,537.25	Monticello	San Juan
UTU93024	1,600.00	Monticello	San Juan
UTU93025	2,304.58	Monticello	San Juan
UTU93026	1,320.00	Monticello	San Juan
UTU93027	645.52	Monticello	San Juan
UTU93028	1,280.00	Monticello	San Juan
UTU93029	1,092.84	Monticello	San Juan
UTU93030	1,200.00	Monticello	San Juan
UTU93031	1,600.00	Monticello	San Juan
UTU93032	1,904.96	Monticello	San Juan
UTU93033	1,280.00	Monticello	San Juan
UTU93034	640.00	Monticello	San Juan
UTU93035	965.04	Monticello	San Juan
UTU93036	1,960.00	Monticello	San Juan

In support of its proposed lease sale, the agency prepared an Environmental Assessment (“EA”), DOI-BLM-UT-Y010-2017-0240-EA,³ analyzing the impacts of leasing 29 parcels outside of the Moab Master Leasing Plan (“MMLP”) and within the Moab and Monticello Field Offices, and a Determination of NEPA Adequacy (“DNA”), DOI-BLM-UT-Y010-2017-0285-DNA,⁴ analyzing the impacts of leasing 14 parcels within the MMLP and within the Moab and Monticello Field Offices. As will be explained below, the BLM’s EA and DNA fall short of ensuring compliance with applicable environmental protection laws and are not based on sufficient analysis and assessment of key environmental impacts under the National Environmental Policy Act (“NEPA”), 42 U.S.C. §§ 4321–4370h. Therefore, the agency’s current EA and DNA and proposed FONSI are deficient, and we request that the BLM refrain from offering the 43 proposed lease parcels for sale and issuance.

STATEMENT OF INTEREST

WildEarth Guardians is a nonprofit environmental advocacy organization dedicated to protecting the wildlife, wild places, wild rivers, and health of the American West. On behalf of our members, Guardians has an interest in ensuring the BLM fully protects public lands and resources as it conveys the right for the oil and gas industry to develop publicly-owned minerals. More specifically, Guardians has an interest in ensuring the BLM meaningfully and genuinely takes into account the air, water, and climate implications of its oil and gas leasing decisions and objectively and robustly weighs the costs and benefits of authorizing the release of more pollutants known to cause health impacts and greenhouse gas emissions known to contribute to global warming.

WildEarth Guardians has extensively commented on and protested BLM’s proposed oil and gas leasing in Utah, including commenting on the draft EA for the March 2018 lease sale.⁵ Thus, Guardians has raised similar concerns over the agency’s failure to adequately address air quality, climate, and cumulative impacts, and the BLM is well aware of our concerns.

The mailing address for WildEarth Guardians to which correspondence regarding this protest should be directed is as follows:

WildEarth Guardians
2590 Walnut St.
Denver, CO 80205

³ The final EA is available at: https://eplanning.blm.gov/epl-front-office/projects/nepa/82261/126383/153979/March_2018_Lease_Sale_EA.pdf.

⁴ The final DNA is available at: https://eplanning.blm.gov/epl-front-office/projects/nepa/88117/126392/153988/March_2018_Lease_Sale_DNA.pdf.

⁵ Guardians October 22, 2017 comments on the draft EA and DNA for the March 2018 lease sale are available on the BLM’s website and are incorporated by reference, including all of the exhibits submitted in conjunction with the comments. See https://eplanning.blm.gov/epl-front-office/projects/nepa/82261/126412/154023/WildEarth_Guardians.pdf.

STATEMENT OF REASONS

WildEarth Guardians protests BLM's March 20, 2018 oil and gas lease sale because the agency fails to adequately analyze and assess the general cumulative impacts and direct, indirect, and cumulative air quality and climate impacts of the reasonably foreseeable oil and gas development that will result from the sale, contrary to the requirements of NEPA and its regulations promulgated thereunder by the White House Council on Environmental Quality ("CEQ"), 40 C.F.R. § 1500-1508.

I. Legal Background

Requirements of NEPA

NEPA is our "basic national charter for protection of the environment." 40 C.F.R. § 1500.1(a). The law requires federal agencies to fully consider the environmental implications of their actions, taking into account "high quality" information, "accurate scientific analysis," "expert agency comments," and "public scrutiny," prior to making decisions. *Id.* at 1500.1(b). This consideration is meant to "foster excellent action," resulting in decisions that are well-informed and that "protect, restore, and enhance the environment." *Id.* at 1500.1(c).

To fulfill the goals of NEPA, federal agencies are required to analyze the "effects," or impacts, of their actions to the human environment prior to undertaking their actions. 40 C.F.R. § 1502.16(d). To this end, the agency must analyze the "direct," "indirect," and "cumulative" effects of its actions, and assess their significance. 40 C.F.R. §§ 1502.16(a), (b), and (d). Direct effects include all impacts that are "caused by the action and occur at the same time and place." 40 C.F.R. § 1508.8(a). Indirect effects are "caused by the action and are later in time or farther removed in distance, but are still reasonably foreseeable." *Id.* at § 1508.8(b). Cumulative effects include the impacts of all past, present, and reasonably foreseeable actions, regardless of what entity or entities undertake the actions. 40 C.F.R. § 1508.7.

An agency may prepare an environmental assessment ("EA") to analyze the effects of its actions and assess the significance of impacts. *See* 40 C.F.R. § 1508.9; *see also* 43 C.F.R. § 46.300. Where effects are significant, an agency must prepare an Environmental Impact Statement ("EIS"). *See* 40 C.F.R. § 1502.3. Where significant impacts are not significant, an agency may issue a Finding of No Significant Impact ("FONSI") and implement its action. *See* 40 C.F.R. § 1508.13; *see also* 43 C.F.R. § 46.325(2).

Within an EA or EIS, the scope of the analysis must include "[c]umulative actions" and "[s]imilar actions." 40 C.F.R. §§ 1508.25(a)(2) and (3). Cumulative actions include action that, "when viewed with other proposed actions have cumulatively significant impacts and should therefore be discussed in the same impact statement." 40 C.F.R. § 1508.25(a)(2). Similar actions include actions that, "when viewed with other reasonably foreseeable or proposed agency actions, have similarities that provide a basis for evaluating their environmental consequences together." 40 C.F.R. § 1508.25(a)(3). Key indicators of similarities between actions include "common timing or geography." *Id.*

The BLM has developed a handbook to help the agency comply with NEPA. *See* BLM, NEPA Handbook, H-1790-1 (Jan. 2008), available at https://www.blm.gov/sites/blm.gov/files/uploads/Media_Library_BLM_Policy_Handbook_h1790-1.pdf. In it, the BLM outlines when the agency can rely on a DNA. In general, the BLM must examine whether an existing NEPA document such as the EIS for an RMP “adequately cover[s] a proposed action.” *Id.* at 23. The BLM does this by looking at four factors, including 1) whether the proposed action is “a feature of, or essentially similar to, an alternative analyzed in an existing NEPA document . . . [and] is the project within the same analysis area,” 2) whether “the range of alternatives analyzed in the existing NEPA documents [are] appropriate with respect to the new proposed action, given current environmental concerns, interests, and resource values,” 3) whether “the existing analysis is valid in light of any new information or circumstances (such as rangeland health standard assessments, recent endangered species listings . . .) [including whether] you can reasonably conclude that new information and new circumstances would not substantially change the analysis,” and 4) whether “the direct, indirect, and cumulative effects that would result from the implementation of the new proposed action [are] similar . . . to those analyzed in the existing NEPA document.” *Id.*

II. The BLM’s EA, DNA, and the Moab Master Leasing Plan/FEIS Violate NEPA

Although the BLM revised portions of the EA and DNA for the March lease sale in response to public comments, the agency’s analyses in support of the lease sale still fall short of complying with NEPA for seven reasons. First, the BLM continues to defer its NEPA analyses to the APD stage in violation of NEPA. Second, the BLM’s Reasonably Foreseeable Development assumptions in the EA for the non-MMLP parcels are arbitrary and fail to consider on-the-ground information. Third, because the BLM approves the 14 parcels within the MMLPA through a DNA, the agency never considers a no leasing alternative or an alternative that addresses the climate impacts of leasing these parcels. Fourth, the BLM’s EA and the DNA/MMLP fail to analyze the cumulative ozone emissions and greenhouse gas emissions that will result from the lease sale in combination with other federal lease sales occurring over a similar time period and geography. Fifth, the BLM’s EA and DNA/MMLP fail to fully consider using the social cost of carbon protocol to analyze the costs and significance of carbon emissions. Sixth, the BLM fails to provide any discussion of the impacts of the lease sale on the newly-created Bears Ears National Monument. Finally, as discussed directly below, the BLM includes new language in the revised EA that misstates the requirements of the Mineral Leasing Act, 30 U.S.C. §§ 181–287, and violates NEPA.

A. The BLM is Not Required to Hold Quarterly Lease Sales.

On page 32 of the revised EA, the BLM states that “[t]he No Action Alternative would not meet the purpose and need for the Proposed Action because it would not comply with Mineral Leasing Act’s requirement for each State to hold quarterly lease sales.” EA at 32. This language was not in the draft EA. In the response to comments section, the BLM explains that it included this section in order to broaden its purpose and need for the proposed action. App’x E, Response to Comment #14.

But, the BLM's inclusion of this language and its interpretation of the MLA is erroneous and precludes any meaningful analysis of the "no action alternative" in violation of NEPA. The language of the MLA and existing case law interpreting these provisions make it clear that the BLM has complete discretion to reject proposed leasing. For example, the MLA provides, "[a]ll lands subject to disposition under this chapter which are known or believed to contain oil or gas deposits *may be leased* by the Secretary." 30 U.S.C. § 226(a) (emphasis added). Just below this provision, the MLA also provides that "[l]ease sales shall be held for each State where eligible lands *are available* at least quarterly and more frequently *if the Secretary of the Interior determines such sales are necessary*." *Id.* § 226(b) (emphasis added). BLM regulations echo these provisions. 43 C.F.R. § 3120.1-2 (emphasis added) ("Each proper BLM S[t]ate office shall hold sales at least quarterly *if lands are available* for competitive leasing.").

A number of court decisions also bolster the conclusion that the Secretary of Interior and BLM have broad discretion in determining whether to lease certain lands. For example, the U.S. Supreme Court has held that the Mineral Leasing Act "left the Secretary discretion to refuse to issue any lease at all on a given tract." *Udall v. Tallman*, 380 U.S. 1, 4 (1965). 10th Circuit case law further supports this holding. "The MLA, as amended by the [Federal Onshore Oil and Gas Leasing] Reform Act of 1987, continues to vest the Secretary with considerable discretion to determine which lands will be leased." *Western Energy Alliance v. Salazar*, 709 F.3d 1040, 1044 (10th Cir. 2013); *see also McDonald v. Clark*, 771 F.2d 460, 463 (10th Cir. 1985) ("While the [MLA] gives the Secretary the authority to lease government lands under oil and gas leases, this power is discretionary rather than mandatory"). Clearly the BLM's position on the MLA conflicts with established, binding precedent on this issue.

The BLM's inclusion of this language also violates NEPA because it precludes any meaningful consideration of a no action alternative. The alternatives section is the "heart" of an EIS or EA, and an agency must include "the alternative of no action." *See* 40 C.F.R. § 1502.14; *see also New Mexico ex. rel. Richardson*, 565 F.3d 683, 703 (10th Cir. 2009). If BLM is mandated to hold quarterly lease sales, the decision to not offer the lease parcels would directly conflict with this mandate. Put another way, BLM cannot seriously consider not leasing the nominated parcels, because under its current position, it is mandated to lease at least some parcels every quarter. In sum, the agency's position is a clear violation of the "heart" of NEPA and cannot stand.

B. The BLM Cannot Defer its NEPA Analyses to the APD Stage.

The BLM's revised EA also continues to defer any substantive analysis to the Application Permit to Drill ("APD") stage in violation of NEPA. *See* EA at 9 ("Should a lease be issued, site-specific analysis of individual wells and roads would occur when a lease holder submits an Application for Permit to Drill (APD)."), 23 ("Additional information about potential emissions would also be available and calculated as part of subsequent site-specific reviews at the APD stage."), 37 ("[A]n air emissions inventory may be required at the APD stage to mitigate oil and gas exploration and development activity impacts on air quality."), and 43 ("Further NEPA analysis would be conducted at the APD stage, when specific development details with which to analyze potential GHG emissions are likely to be known."); *see also* DNA at 2.

“NEPA is not designed to postpone analysis of an environmental consequence to the last possible moment.” *U.S. Bureau of Land Mgmt. v. Kern*, 284 F.3d 1062, 1072 (9th Cir. 2002); *see also* 40 C.F.R. § 1500.1(b) (“NEPA procedures must insure that environmental information is available to public officials and citizens before decisions are made and before actions are taken.”). This is especially the case if postponing analysis results in a piecemeal look at the impacts. *See* 40 C.F.R. § 1508. NEPA provides that the BLM must assess three types of actions: (1) connected actions, (2) cumulative actions, and (3) similar actions. 40 C.F.R. § 1508.25. Connected actions “are closely related and therefore should be discussed in the same impact statement.” Actions are connected if they, among other things: [a]re interdependent parts of a larger action and depend on the larger action for their justification.” *Id.* Because drilling cannot occur without the BLM first leasing the minerals, leasing and drilling are interdependent, connected actions.

NEPA also requires that agencies prepare an EIS before there is “any irreversible and irretrievable commitment of resources.” *See Conner v. Burford*, 848 F.2d 1441, 1452 (9th Cir. 1988); *see also New Mexico ex. rel. Richardson*, 565 F.3d 683, 718 (10th Cir. 2009). Unless a lease contains a No Surface Occupancy (“NSO”), leasing is considered an irretrievable commitment of resources. *New Mexico ex. rel. Richardson*, 565 F.3d at 718. BLM even admits that leasing confers an irretrievable right to develop in the EA. The agency states that, “[o]nce the lease has been issued, the lessee has the right to use as much of the leased land as necessary to explore for, drill for, extract, remove, and dispose of oil and gas deposits located under the leased lands, subject to the standard lease terms and additional restrictions attached to the lease in the form of lease stipulations.” EA at 7 (citing to 43 C.F.R. § 3101.1-2). As a result, further analysis at the APD stage would be too little, too late.

The BLM fails to refute to this argument in its response to Guardians’ comments. Instead, the BLM reiterates its old argument that “[s]hould the parcels be leased, and should they be developed, a site-specific analysis would be completed at the APD stage.” App’x E, Response to Comment #87. But this position clearly ignores existing case law and the requirements of NEPA. *New Mexico ex. rel. Richardson*, 565 F.3d 683, 718 (10th Cir. 2009). Thus, it is untenable and cannot stand.

The need to do a full NEPA at the lease sale stage is further supported by the fact that the BLM frequently does not complete a NEPA analysis at the APD stage. For example, the Moab and Monticello Field Offices recently approved 4 APDs through categorical exclusions and has plans to approve 2 more, including:

- Approval of 1 well in San Juan County in the Moab Field Office through categorical exclusion DOI-BLM-UT-Y010-2014-0238-CX (pending);
- Approval of 1 well in San Juan County in the Moab Field Office through categorical exclusion DOI-BLM-UT-Y010-2016-0053-CX (pending);
- Approval of an additional oil well leg from an existing wellbore in Grand County in the Moab Field Office through categorical exclusion DOI-BLM-UT-Y010-2015-0009-CX (completed);

- Approval of 1 well in Grand County in the Moab Field Office through categorical exclusion DOI-BLM-UT-Y010-2014-0211-CX (completed); and
- Approval of 2 wells in Grand County in the Moab Field Office through categorical exclusion DOI-BLM-UT-Y010-2017-0319-CX 9 (completed).⁶

In sum, unless the BLM actually commits, through the imposition of a stipulation or stipulations, to conduct additional NEPA analysis at the drilling stage, it more often than not does not happen. This means that any commitment to address the impacts development of the proposed leases through subsequent NEPA is, at best, hollow, and at worst, a deliberate attempt to avoid accountability to addressing potentially significant environmental impacts under NEPA.

C. The BLM's Estimate of Reasonably Foreseeable Development for the Lease Sale Parcels is Inaccurate and Misleading.

The BLM also continues to refuse to revise its reasonably foreseeable development scenario for the lease parcels in context with current, on-the-ground information. *See Pennaco Energy v. U.S. Dep't of Interior*, 377 F.3d 1147, 1159 (10th Cir. 2004).

The BLM current RFD scenario calculates the number of predicted wells from the lease sale parcels by comparing the proposed lease acreage with the proportion of authorized lease acreage and then taking that percentage and multiplying it by the total number of wells predicted for each field office as predicted in each Resource Management Plan. EA at 9. This results in an estimate of 11 wells over 10 years for 29 parcels. *Id.* Thus, according to the BLM, 18 parcels will experience no development at all.

This assumption is flawed for several reasons. First, it runs contrary to the BLM's own data on development. For example, the BLM states in the EA that: "The RFD for the proposed action (Appendix E) estimates 16 oil and gas wells could be constructed and drilled in the next 10 years. [But,] [c]urrently, the CCDO has 20 approved APDs that have not yet been drilled and 44 pending APDs that are currently being processed but have not yet been approved." EA at 58 (emphasis added). This indicates that development in the area is more intense than anticipated by the RFD and is likely increasing. Although the BLM admits in its response to comments that the numbers stated above are correct, the agency argues that because developers could decide not to develop any wells despite having approved APDs, this number is not relevant. EA App'x E, Response to Comment #88. But, it seems unlikely that industry would invest money into buying the leases and developing APDs for areas it had no interest in drilling. It also seems unlikely that out of 64 pending APDs, no wells will result within the next year.

The BLM's RFD assumptions are further undermined by the large number of expressions of interest for the March 2018 lease sale. Based on the number of APDs and EOIs in the area, interest may be increasing and the BLM cannot ignore this.

⁶ The BLM's ePlanning website has information on all of the pending APDs.

Finally, BLM's estimate of reasonably foreseeable development is illogical because it fails to assess the leases in the context of existing development. Here, as discussed above, the BLM calculated an approximate number of wells by dividing the percentage of lease sale acreage by the total acres available for lease in the Moab and Monticello Field Offices and then multiplying that number by the number of proposed wells for the RMP. *See* EA, App'x F. But, as the BLM is well aware, development does not occur uniformly across a landscape. A more logical approach would be one similar to that taken by the Vernal Field Office in Utah. For example, for the December 2017 sale, the Vernal FO presumed that, at a minimum, one well would be developed on every lease parcel offered for sale. *See* Vernal Field Office, *December 2017 Competitive Oil and Gas Lease Sale Final Environmental Assessment*, App'x D (Sept. 1, 2017), <https://eplanning.blm.gov/epl-front-office/projects/nepa/80165/119135/145398/FEA.pdf>. The Vernal FO also considered whether the parcel in question was within 2 miles of a well which had produced oil or gas within the past 6 years. *Id.* This approach addresses the fact that industry has nominated the lease parcels, and therefore, the likelihood of development is high. This approach also takes into account existing production and ensures that the agency's development assumptions are current based on nearby, producing wells. Neither of these assumptions are incorporated into the BLM's approach for this lease sale. Thus, the BLM's development assumptions are misleading and likely inaccurate.

D. The BLM's DNA Fails to Analyze a No Leasing Alternative or an Alternative that Addresses Climate Impacts.

NEPA requires federal agencies to consider reasonable alternatives, "[i]nclud[ing] the alternative of no action." 40 C.F.R. § 1502.14(d). Because the BLM does not substantively address this argument in its response to comment of the revised DNA, Guardians arguments are reiterated below.⁷

The BLM's DNA for the parcels within the Moab Master Leasing Plan relies on the MMLP, the 2008 Moab RMP, and the 2008 Monticello RMP to conclude that no significant impacts will result from the lease sale. But, by tiering to these broader documents, the BLM fails to consider a "no leasing alternative" for the 14 parcels. The BLM also fails to consider an alternative that addresses climate impacts. *See* Moab MLP Record of Decision at 4, available at https://eplanning.blm.gov/epl-front-office/projects/lup/68430/94904/114786/05_Moab_MLP_ROD_Approved_Resource_Management_Plan_Amendments_508.pdf (discussing alternatives); *see also*, Monticello RMP/FEIS, Ch. 2 at 2-1 to 2-2, available at: https://eplanning.blm.gov/epl-front-office/projects/lup/68097/85616/102811/Chapter_2.pdf (discussing alternatives). The BLM's failure to properly consider a no leasing alternative or an alternative that address climate impacts renders its DNA invalid.

⁷ In its response to public comments for the DNA, the BLM simply states that "[t]he analyses in each of the existing land use plans, all of which included a No Action alternative, are comprehensive and sufficient." DNA, Attachment D, Response to Comment #28.

E. The BLM's EA and DNA Fail to Analyze the Reasonably Foreseeable Air Emissions and Greenhouse Gas Emissions that Would Result from Issuing the Proposed Lease Parcels.

The BLM's analyses in the EA, the DNA, and MMLP also completely omit a quantitative, site-specific analysis of the reasonably foreseeable air emissions and greenhouse gas emissions that would result from leasing the proposed parcels. Unfortunately, the BLM's revised EA and DNA fail to correct this deficiency.

For example, in the air emission section, the BLM still notes that “[i]t is not possible to accurately estimate potential air quality impacts by computer modeling from the proposed action due to the variation in emission control technologies as well as construction, drilling, and production technologies applicable to oil versus gas production and utilized by various operators, so this discussion will remain qualitative.” EA at 33. And, the BLM reiterates this flawed conclusion in its response to comments. It argues that “conduct[ing] a modeling analysis specifically for the Appendix F RFD estimated level of oil and gas development activity [11 wells over 10 years] would not result in any meaningful results or conclusions and would not be an appropriate use of BLM resources.” App’x F, Response to Comment #89. But, the BLM’s conclusion that site-specific air emissions are not possible to calculate at the lease sale stage is belied by the fact that the BLM has calculated such emissions before for a small number of parcels.

In the Royal Gorge Field Office of Colorado, the BLM contracted with URS Group Inc. to prepare an analysis of air emissions from the development of seven oil and gas lease parcels. *See* Exhibit 1 to Guardians’ Oct. 22, 2017 comments, URS Group Inc., “Draft Oil and Gas Air Emissions Inventory Report for Seven Lease Parcels in the BLM Royal Gorge Field Office,” Prepared for BLM, Colorado State Office and Royal Gorge Field Office (July 2013). This report estimated emissions of ozone precursors and greenhouse gases on a per well basis. *See* Exhibit 1 at 3, 5. This report was later supplanted by the Colorado Air Resource Management Modeling Study, or CARMMS, which estimated reasonably foreseeable emissions of greenhouse gases, criteria pollutants, and hazardous air pollutants associated with oil and gas development throughout Colorado, as well as part of New Mexico, and modeled air quality impacts. *See* Exhibit 2 to Guardians’ Oct. 22, 2017 comments, ENVIRON, “Colorado Air Resource Management Modeling Study (CARMMS) 2021 Modeling Results for the High, Low and Medium Oil and Gas Development Scenarios,” Prepared for BLM Colorado State Office (January 2015) (updated report available at https://www.blm.gov/sites/blm.gov/files/program_natural%20resources_soil%20air%20water_aireco_quick%20link_CARMMS.pdf). As part of the CARMMS report, the BLM estimated annual per well emissions, including greenhouse gas emissions, as follows:

Phase	PM ₁₀	PM _{2.5}	VOC	CO	NO _x	SO ₂	CO ₂	CH ₄	N ₂ O	HAP
Conventional Construction	5.21	0.64	0.05	0.23	0.72	0.02	108.1	0.00	0.00	0.01
CBM Construction	3.37	0.44	0.03	0.12	0.36	0.01	56.58	4.06	0.00	0.00
Conventional Production	1.15	0.15	6.67	1.30	0.73	0.00	251.9	17.14	0.00	0.43
CBM Production	2.25	0.25	13.10	1.13	0.62	0.00	181.6	19.05	0.00	1.31

It is notable that, based on this estimate, total CO₂ emissions associated with construction and production of conventional (rather than “CBM” or coalbed methane) wells, could be as much as 360 tons per year. And, to top it off, this number would very likely increase for an unconventional oil or gas well, as shown by the Kleinfelder Report, which estimates emissions for representative oil and gas wells in the Uinta, Upper Green River, San Juan, Williston, and Denver Basins. *See* Exhibit 3 to Guardians’ Oct. 22, 2017 comments, Kleinfelder, “Air Emissions Inventory Estimates for a Representative Oil and Gas Well in the Western United States,” Report Prepared for Bureau of Land Management (March 25, 2013). Either way, the BLM has the capability to analyze these emissions and must do so as required by NEPA..

On a similar note, the BLM cannot rely on the possibility that companies developing the lease parcels will apply for a Utah Department of Air Quality General Approval Order permit. First, as the BLM admits, applying for this permit is voluntary. *See* EA at 33 (“An oil and gas application *may apply for and, if qualified*, receive approval to operate under this GAO.”) (emphasis added). Indeed, it is questionable whether the UDAQ is still accepting applications for the GAO. *See* General Approval Orders, Utah Dep’t of Env’tl. Quality, <https://deq.utah.gov/Permits/GAOs/gaos.htm>. Second, without a stipulation at the lease sale stage mandating that lessees use the air emissions controls described in the GAO, the BLM cannot assume that actual emissions will conform to these levels. *See* EA at 35. But, the BLM does just that. After describing GAO estimated emissions in Table 4-2, the BLM then uses the “controlled emissions” column to calculate the emissions inventory for the lease sale in Table 4-3. Because BLM relies on this untenable assumption to conclude that no significant impacts will result to air resources, the BLM’s EA and FONSI are inaccurate and cannot support the approval of the proposed action.

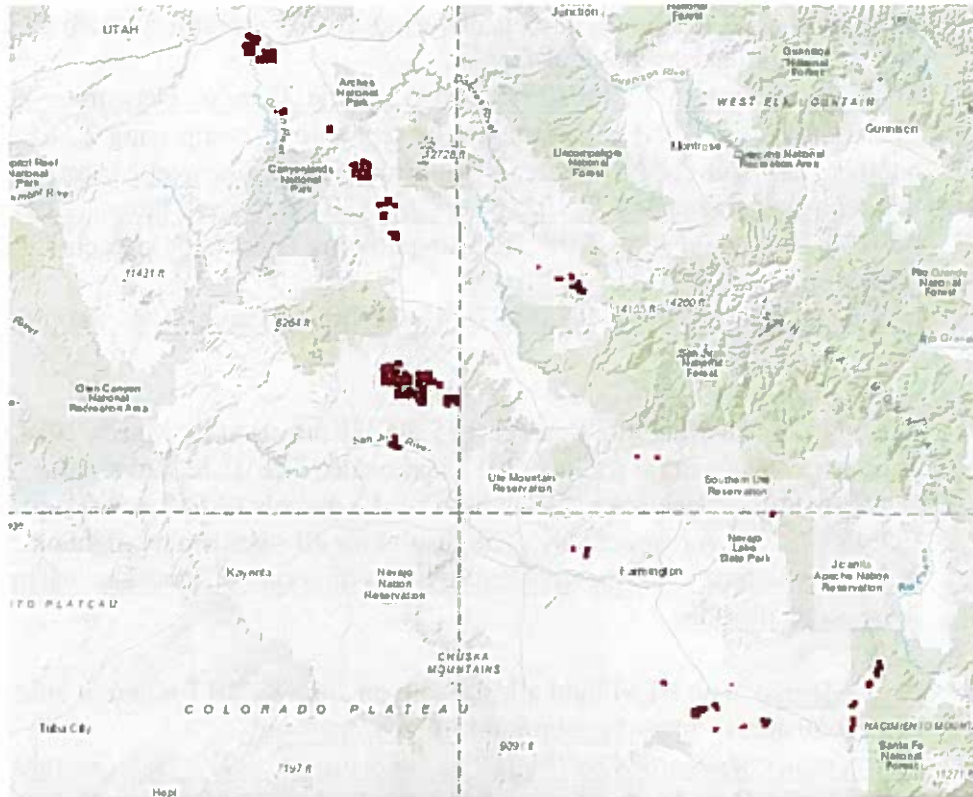
Finally, the BLM’s air emissions analysis is also inaccurate because the agency relies on two air emission modeling reports for different areas and different levels of development to summarily conclude that “the proposed action is not likely to violate, or otherwise contribute to any violation of the applicable air quality standards.” EA at 36. But, the BLM cannot assume that these studies are representative of the emissions that will result here. The first report, the Cane Creek Modeling report, is not attached to the EA for examination, but based on the BLM’s description of it, it focused solely on NO₂ and PM₁₀ emissions. *See id.* The second modeling analysis focuses on development within the MMLP area. But, development outside the MMLP may occur within a different formation or use entirely different extraction techniques. Either way, the BLM cannot assume that these studies are representative of the lease parcels.

F. The BLM Fails to Fully Analyze and Assess the Cumulative Impacts of Ozone Emissions and Greenhouse Gas Emissions that Would Result from Issuing the Proposed Lease Parcels.

First, despite indicating that it changed this error in the response to comments, the BLM still cites to the 2008 National Ambient Air Quality standard for ozone as the “current” standard. EA at 18. Figure 1 on the next page also has the wrong standard. EA at 19.

Second, the BLM continues to ignore the cumulative impacts from ozone and greenhouse gas emissions that will result from past and future lease sales in Utah and surrounding states and fails to respond to this argument in its response to comments. For example, the BLM completely forgoes a cumulative climate impacts analysis of greenhouse gas emissions. EA at 61. (“Since climate change and global warming are global phenomena, for purposes of this NEPA analysis, the analysis presented above about the direct and indirect effects of GHG emissions from the Proposed Action is also an analysis of the cumulative effects of the Proposed Action.”). And, the BLM’s air emissions analysis relies on reports from 2013 to conclude that the 2015 NAAQS standard for ozone will not be exceeded.

The BLM’s lack of due diligence is particularly alarming because, as shown by the map below, there are a larger number of leases parcels from the March 2018 sales in Utah, Colorado, and New Mexico in the same geographic area, and the BLM admits that the Four Corners area is very close to exceeding the 2015 National Ambient Air Quality Standard for ozone. *See* EA at 67. This perfect storm of air quality and greenhouse gas emissions from leases occurring across three states is precisely why NEPA requires a cumulative impacts analysis that identifies surrounding projects occurring on a similar time period. Even assuming that this particular lease sale does not exceed the 2015 NAAQS ozone standard, the sum total of the leases occurring in the Four Corners very likely will, and the BLM cannot ignore this issue.



March 2018 Lease Parcels in Utah, Colorado, and New Mexico in the Four Corners Region.

The scale of leasing proposed in 2017 and 2018 supports the conclusion that the BLM must complete a full cumulative impacts analysis. For example, the BLM has leased or is planning to lease, the following:

- Utah:** On June 13, 2017, the agency sold 8 parcels covering 7,478.990 acres in the Color Country District Office for sale. See https://www.blm.gov/sites/blm.gov/files/Programs_OilandGas_Leasing_RegionalLeaseSales_Utah_2017_SaleResults.pdf. In September, the BLM sold 3 parcels containing 4,101.710 acres in the West Desert District. See https://www.blm.gov/sites/blm.gov/files/Programs_OilandGas_Leasing_RegionalLeaseSales_Utah_2017_SALERESULTS.pdf. The agency sold 49 parcels (53,000 acres) in the Green River District in December 2017. See <https://eplanning.blm.gov/epl-front-office/projects/nepa/80165/127348/154996/CompStats.pdf>. And, in March 2018, the BLM is proposing to lease 43 parcels comprising 51,400.60 acres in the Moab and Monticello Field Offices. https://www.blm.gov/sites/blm.gov/files/Programs_OilandGas_Leasing_RegionalLeaseSales_Utah_2018_Mar2018NoticeOfSale_0.pdf.
- Colorado:** On June 8, 2017, the BLM sold 70 parcels covering 63,268.120 acres in western Colorado. See https://eplanning.blm.gov/epl-front-office/projects/nepa/70241/109218/133789/Sale_Results_June2017.pdf. In December

of 2017, the BLM sold 23 parcels covering 22,000 acres in western Colorado. See [https://eplanning.blm.gov/epl-front-office/projects/nepa/72396/126871/154522/Sale Results December 2017.pdf](https://eplanning.blm.gov/epl-front-office/projects/nepa/72396/126871/154522/Sale%20Results%20December%202017.pdf). In March 2018, the BLM is planning to lease 9 parcels comprising 2,585.13 acres in the southeastern corner of the state. [https://eplanning.blm.gov/epl-front-office/projects/nepa/80672/108369/132690/TRFO Initial Parcel List Scoping March 2018.pdf](https://eplanning.blm.gov/epl-front-office/projects/nepa/80672/108369/132690/TRFO%20Initial%20Parcel%20List%20Scoping%20March%202018.pdf). And, in June 2018, BLM is planning to lease 64 parcels (58,893.95 acres). [https://eplanning.blm.gov/epl-front-office/projects/nepa/89119/119327/145632/Initial Parcel List Scoping June 2018.pdf](https://eplanning.blm.gov/epl-front-office/projects/nepa/89119/119327/145632/Initial%20Parcel%20List%20Scoping%20June%202018.pdf).

- **Nevada:** The BLM sold 20 parcels (35,502.86 acres) at its March 2017 sale and 3 parcels (5760 acres) at its June 2017 lease sale. The BLM had similar results for its September and December sales which sold 3 parcels (3,680 acres) and 17 parcels (33,483.72 acres) respectively. The results for all sales are available at: <https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/leasing/regional-lease-sales/nevada>.
- **New Mexico:** The BLM held a lease sale on June 8, 2017 where it sold 17 parcels (4,230.56 acres), [https://eplanning.blm.gov/epl-front-office/projects/nepa/68426/109289/133858/June 8 2017 Sale Results.pdf](https://eplanning.blm.gov/epl-front-office/projects/nepa/68426/109289/133858/June%208%202017%20Sale%20Results.pdf). The lease sale scheduled for September sold 61 parcels (15,331.91 acres). See [https://eplanning.blm.gov/epl-front-office/projects/nepa/69506/119984/146392/NM 090717 LeaseSaleResults.pdf](https://eplanning.blm.gov/epl-front-office/projects/nepa/69506/119984/146392/NM_090717_LeaseSaleResults.pdf). And, for the December sale, the BLM sold 7 parcels (2,104.15 acres). See [https://eplanning.blm.gov/epl-front-office/projects/nepa/80914/126963/154610/Final Sale Results 12 07 2017.pdf](https://eplanning.blm.gov/epl-front-office/projects/nepa/80914/126963/154610/Final%20Sale%20Results%2012%2007%202017.pdf). The BLM plans to sell 25 parcels totaling 4,434.37 acres in March 2018. See [https://eplanning.blm.gov/epl-front-office/projects/nepa/90068/126730/154476/March 8 2018 Oil and Gas Lease Sale Notice.pdf](https://eplanning.blm.gov/epl-front-office/projects/nepa/90068/126730/154476/March%208%202018%20Oil%20and%20Gas%20Lease%20Sale%20Notice.pdf).
- **Wyoming:** In June, the BLM sold 26 parcels covering 31,924.77 acres in the High Desert District Office. See <https://eplanning.blm.gov/epl-front-office/projects/nepa/65707/110941/135810/SALERESULTS.pdf>. In September, the BLM sold 127 parcels totaling 106,687 acres in the High Plains and Wind River/Big Horn Basin Districts. See [https://eplanning.blm.gov/epl-front-office/projects/nepa/65707/121307/148154/SALE RESULTS 3rd Qtr 2017.v3.pdf](https://eplanning.blm.gov/epl-front-office/projects/nepa/65707/121307/148154/SALE_RESULTS_3rd_Qtr_2017.v3.pdf). This December, the agency sold 41 parcels in the High Desert District. See <https://eplanning.blm.gov/epl-front-office/projects/nepa/65707/128297/156143/SALERESULTS.pdf>. In March, the BLM is planning to sell 170 parcels (170,509.65 acres). See [https://eplanning.blm.gov/epl-front-office/projects/nepa/85072/125831/153379/Sale Notice.pdf](https://eplanning.blm.gov/epl-front-office/projects/nepa/85072/125831/153379/Sale%20Notice.pdf). And, in June 2018, the agency is offering 163 parcels (199,298.57 acres) in the High Desert and Wind River-Big Horn Basin Districts. [https://eplanning.blm.gov/epl-front-office/projects/nepa/85072/126353/153901/Press Release.2017Oct24.pdf](https://eplanning.blm.gov/epl-front-office/projects/nepa/85072/126353/153901/Press%20Release.2017Oct24.pdf).

- **All told, the BLM has leased or is proposing to lease approximately 949 parcels or 875,676.06 acres of publically-owned land in the states listed above in 2017 and 2018.**

All of these lease sales are occurring in Utah and in states surrounding Utah over similar time period, and leasing in 2018 is already increasing in acreage as shown by the March and June 2018 sales. Thus, the BLM's failure to discuss or acknowledge the lease sales is a clear violation of NEPA's mandate to assess cumulative impacts, and the BLM's EA, DNA, and FONSI cannot stand as a result.

G. The BLM Fails to Analyze the Costs of Reasonably Foreseeable Carbon Emissions Using Well-Accepted, Valid, Credible, GAO-Endorsed, Interagency Methods for Assessing Carbon Costs.

It is also particularly disconcerting that the agency completely dismisses use of the social cost of carbon protocol, EA at 44, a valid, well-accepted, credible, and interagency endorsed method of calculating the costs of greenhouse gas emissions and understanding the potential significance of such emissions, while touting the economic benefits of oil and gas development. See EA at 32 (explaining that the no action alternative “would diminish federal and state royalty income, and increase the potential for federal lands to be drained by wells on adjacent private or state lands”); see also BLM, *New Release: BLM Seeks Comments on Parcels offered in March Oil and Gas Lease Sale* (Sept. 22, 2017), https://eplanning.blm.gov/epl-front-office/projects/nepa/82261/121038/147794/News_Release_-_CCYD_Lease_Sale_Comment_Period.pdf, (“Oil and gas development on BLM-managed lands in Utah contributed \$1.7 billion to the economy and supported 9,171 jobs in Fiscal Year 2016.”).

The social cost of carbon protocol for assessing climate impacts is a method for “estimat[ing] the economic damages associated with a small increase in carbon dioxide (CO₂) emissions, conventionally one metric ton, in a given year [and] represents the value of damages avoided for a small emission reduction (i.e. the benefit of a CO₂ reduction).” Exhibit 4 to Guardians’ Oct. 22, 2017 comments, U.S. Environmental Protection Agency (“EPA”), “Fact Sheet: Social Cost of Carbon” (Nov. 2013) at 1, formerly available online at <https://www.epa.gov/climatechange/social-cost-carbon>. The protocol was developed by a working group consisting of several federal agencies.

In 2009, an Interagency Working Group was formed to develop the protocol and issued final estimates of carbon costs in 2010. See Exhibit 5 to Guardians’ Oct. 22, 2017 comments, Interagency Working Group on Social Cost of Carbon, “Technical Support Document: Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866” (Feb. 2010), available online at <https://www.whitehouse.gov/sites/default/files/omb/inforeg/for-agencies/Social-Cost-of-Carbon-for-RIA.pdf>. These estimates were then revised in 2013 by the Interagency Working Group, which at the time consisted of 13 agencies. See Exhibit 6 to Guardians’ Oct. 22, 2017 comments, Interagency Working Group on Social Cost of Carbon, “Technical Support Document: Technical Update of the Social Cost of Carbon for Regulatory

Impact Analysis Under Executive Order 12866” (May 2013), available online at <https://obamawhitehouse.archives.gov/sites/default/files/omb/assets/inforeg/technical-update-social-cost-of-carbon-for-regulator-impact-analysis.pdf>. This report and the social cost of carbon estimates were again revised in 2015. *See* Exhibit 7 to Guardians’ Oct. 22, 2017 comments, Interagency Working Group on Social Cost of Carbon, “Technical Support Document: Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866” (July 2015). Again, this report and social cost of carbon estimates were revised in 2016. *See* Exhibit 8 to Guardians’ Oct. 22, 2017 comments, Interagency Working Group on Social Cost of Greenhouse Gases, “Technical Support Document: Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis – Under Executive Order 12866” (Aug. 2016), available online at https://obamawhitehouse.archives.gov/sites/default/files/omb/inforeg/scc_tsd_final_clean_8_26_16.pdf.

Most recently, as an addendum to previous Technical Support Documents regarding the social cost of carbon, the Department of the Interior joined numerous other agencies in preparing estimates of the social cost of methane and other greenhouse gases. *See* Exhibit 9 to Guardians’ Oct. 22, 2017 comments, Interagency Working Group on Social Cost of Greenhouse Gases, United States Government, “Addendum to Technical Support Document on Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866: Application of the Methodology to Estimate the Social Cost of Methane and the Social Cost of Nitrous Oxide” (Aug. 2016).

Depending on the discount rate and the year during which the carbon emissions are produced, the Interagency Working Group estimates the cost of carbon emissions, and therefore the benefits of reducing carbon emissions, to range from \$10 to \$212 per metric ton of carbon dioxide. *See* Chart Below. In one of its more recent update to the Social Cost of Carbon Technical Support Document, the White House’s central estimate was reported to be \$36 per metric ton. Exhibit 8 at 4. In July 2014, the U.S. Government Accountability Office (“GAO”) confirmed that the Interagency Working Group’s estimates were based on sound procedures and methodology. *See* Exhibit 10 to Guardians’ Oct. 22, 2017 comments, GAO, “Regulatory Impact Analysis, Development of Social Cost of Carbon Estimates,” GAO-14-663 (July 2014), <http://www.gao.gov/assets/670/665016.pdf>.

Year	5% Average	3% Average	2.5% Average	High Impact (95 th Pct at 3%)
2010	10	31	50	86
2015	11	36	56	105
2020	12	42	62	123
2025	14	46	68	138
2030	16	50	73	152
2035	18	55	78	168
2040	21	60	84	183
2045	23	64	89	197
2050	26	69	95	212

Most recent social cost of carbon estimates presented by Interagency Working Group on Social Cost of Carbon. The 95th percentile value is meant to represent “higher-than-expected” impacts from climate change. See Exhibit 8.

Although often utilized in the context of agency rulemakings, the protocol has been recommended for use and has been used in project-level decisions. For instance, the EPA recommended that an EIS prepared by the U.S. Department of State for the proposed Keystone XL oil pipeline include “an estimate of the ‘social cost of carbon’ associated with potential increases of GHG emissions.” Exhibit 11 to Guardians’ Oct. 22, 2017 comments, EPA, Comments on Supplemental Draft EIS for the Keystone XL Oil Pipeline (June 6, 2011).

More importantly, the BLM has also utilized the social cost of carbon protocol in the context of oil and gas approvals. In other recent Environmental Assessments for oil and gas leasing in Montana, the agency estimated “the annual SCC [social cost of carbon] associated with potential development on lease sale parcels.” Exhibit 12 to Guardians’ Oct. 22, 2017 comments, BLM, “Environmental Assessment for October 21, 2014 Oil and Gas Lease Sale,” DOI-BLM-MT-0010-2014-0011-EA (May 19, 2014) at 76, https://blm_prod.opengov.ibmcloud.com/sites/blm.gov/files/MT-DAKS%20Billings%20Oct%202014%20EA%20Protest.pdf. In conducting its analysis, the BLM used a “3 percent average discount rate and year 2020 values,” presuming social costs of carbon to be \$46 per metric ton. *Id.* Based on its estimate of greenhouse gas emissions, the agency estimated total carbon costs to be “\$38,499 (in 2011 dollars).” *Id.* In Idaho, the BLM also utilized the social cost of carbon protocol to analyze and assess the costs of oil and gas leasing. Using a 3% average discount rate and year 2020 values, the agency estimated the cost of carbon to be \$51 per ton of annual CO₂e increase. See Exhibit 13 to Guardians’ Oct. 22, 2017 comments, BLM, “Little Willow Creek Protective Oil and Gas Leasing,” EA No. DOI-BLM-ID-B010-2014-0036-EA (February 10, 2015) at 81, https://eplanning.blm.gov/epl-front-office/projects/nepa/39064/55133/59825/DOI-BLM-ID-B010-2014-0036-EA_UPDATED_02272015.pdf. Based on this estimate, the agency estimated that the total carbon cost of developing 25 wells on five lease parcels to be \$3,689,442 annually. *Id.* at 83.

To be certain, the social cost of carbon protocol presents a conservative estimate of economic damages associated with the environmental impacts climate change. As the EPA has noted, the protocol “does not currently include all important [climate change] damages.” Exhibit 4 at 1. As explained:

The models used to develop [social cost of carbon] estimates do not currently include all of the important physical, ecological, and economic impacts of climate change recognized in the climate change literature because of a lack of precise information on the nature of damages and because the science incorporated into these models naturally lags behind the most recent research.

Id. In fact, more recent studies have reported significantly higher carbon costs. For instance, a report published this month found that current estimates for the social cost of carbon should be increased six times for a mid-range value of \$220 per ton. See Exhibit 14 to Guardians’ Oct. 22, 2017 comments, Moore, C.F. and B.D. Delvane, “Temperature impacts on economic growth

warrant stringent mitigation policy,” Nature Climate Change 2 (January 12, 2015). In spite of uncertainty and likely underestimation of carbon costs, nevertheless, “the SCC is a useful measure to assess the benefits of CO₂ reductions,” and thus a useful measure to assess the costs of CO₂ increases. Exhibit 4.

That the economic impacts of climate change, as reflected by an assessment of social cost of carbon, should be a significant consideration in agency decisionmaking, is emphasized by a recent White House report, which warned that delaying carbon reductions would yield significant economic costs. *See* Exhibit 15 to Guardians’ Oct. 22, 2017 comments, Executive Office of the President of the United States, “The Cost of Delaying Action to Stem Climate Change,” (July 2014). As the report states:

[D]elaying action to limit the effects of climate change is costly. Because CO₂ accumulates in the atmosphere, delaying action increases CO₂ concentrations. Thus, if a policy delay leads to higher ultimate CO₂ concentrations, that delay produces persistent economic damages that arise from higher temperatures and higher CO₂ concentrations. Alternatively, if a delayed policy still aims to hit a given climate target, such as limiting CO₂ concentration to given level, then that delay means that the policy, when implemented, must be more stringent and thus more costly in subsequent years. In either case, delay is costly.

Id. at 1.

The requirement to analyze the social cost of carbon is supported by the general requirements of NEPA and is specifically supported in federal case law. Courts have ordered agencies to assess the social cost of carbon pollution, even before a federal protocol for such analysis was adopted. In 2008, the U.S. Court of Appeals for the Ninth Circuit ordered the National Highway Traffic Safety Administration to include a monetized benefit for carbon emissions reductions in an Environmental Assessment prepared under NEPA. *Center for Biological Diversity v. National Highway Traffic Safety Administration*, 538 F.3d 1172, 1203 (9th Cir. 2008). The Highway Traffic Safety Administration had proposed a rule setting corporate average fuel economy standards for light trucks. A number of states and public interest groups challenged the rule for, among other things, failing to monetize the benefits that would accrue from a decision that led to lower carbon dioxide emissions. The Administration had monetized the employment and sales impacts of the proposed action. *Id.* at 1199. The agency argued, however, that valuing the costs of carbon emissions was too uncertain. *Id.* at 1200. The court found this argument to be arbitrary and capricious. *Id.* The court noted that while estimates of the value of carbon emissions reductions occupied a wide range of values, the correct value was certainly not zero. *Id.* It further noted that other benefits, while also uncertain, were monetized by the agency. *Id.* at 1202.

More recently, a federal court has done likewise for a federally approved coal lease. That court began its analysis by recognizing that a monetary cost-benefit analysis is not universally required by NEPA. *See High Country Conservation Advocates v. U.S. Forest Service*, 52 F.Supp. 3d 1174 (D. Colo. 2014) (citing 40 C.F.R. § 1502.23). However, when an agency prepares a cost-benefit analysis, “it cannot be misleading.” *Id.* at 1182 (citations omitted). In

that case, the NEPA analysis included a quantification of benefits of the project, but, the quantification of the social cost of carbon, although included in earlier analyses, was omitted in the final NEPA analysis. *Id.* at 1196. The agencies then relied on the stated benefits of the project to justify project approval. This, the court explained, was arbitrary and capricious. *Id.* Such approval was based on a NEPA analysis with misleading economic assumptions, an approach long disallowed by courts throughout the country. *Id.* Furthermore, the court reasoned that even if the agency had decided that the social cost of carbon was irrelevant, the agency must still provide “justifiable reasons for not using (or assigning minimal weight to) the social cost of carbon protocol” *Id.* at 1193 (emphasis added). And, in August 2017, a federal district court in Montana cited to the *High Country* decision and reaffirmed its reasoning, rejecting a NEPA analysis for a coal mine expansion that touted the economic benefits of the expansion without assessing the carbon costs that would result from the development. *See Mont. Envtl. Info. Ctr. v. U.S. Office of Surface Mining*, No. CV 15-106-M-DWM (D. Mont. Aug. 14, 2017).

A recent op-ed in the New York Times from Michael Greenstone, the former chief economist for the President’s Council of Economic Advisers, confirms that it is appropriate and acceptable to calculate the social cost of carbon when reviewing whether to approve fossil fuel extraction. *See* Exhibit 16 to Guardians’ Oct. 22, 2017 comments, Greenstone, M., “There’s a Formula for Deciding When to Extract Fossil Fuels,” New York Times (Dec. 1, 2015), available at <https://www.nytimes.com/2015/12/02/upshot/theres-a-formula-for-deciding-when-to-extract-fossil-fuels.html>. Furthermore, the Proceedings of the National Academy of Sciences of the United States of America (“PNAS”), acknowledged in a peer-reviewed article from February of this year that the social cost of carbon analysis is “[t]he most important single economic concept in the economics of climate change,” and that “federal regulations with estimated benefits of over \$1 trillion have used the SCC.” Exhibit 17 to Guardians’ Oct. 22, 2017 comments, William D. Nordhaus, Revisiting the Social Cost of Carbon, PNAS, Feb. 14, 2017, <http://www.pnas.org/content/114/7/1518.full.pdf>.

The BLM responds to this argument by claiming that the EA does not contain a cost-benefit analysis and that greenhouse gas emission are not reasonably foreseeable, but this response is misleading. First, BLM consistently touts the monetary benefits of each lease following the completion of each sale. *See, e.g., Bureau of Land Management Third Quarter Oil and Gas Lease Sales Hit Combined \$170.7 Million* (Oct. 6, 2017), <https://www.doi.gov/pressreleases/bureau-land-management-third-quarter-oil-and-gas-lease-sales-hit-combined-1707-million>. Second, the EA and DNA tier to the underlying RMPs which have economic cost-benefit analyses.

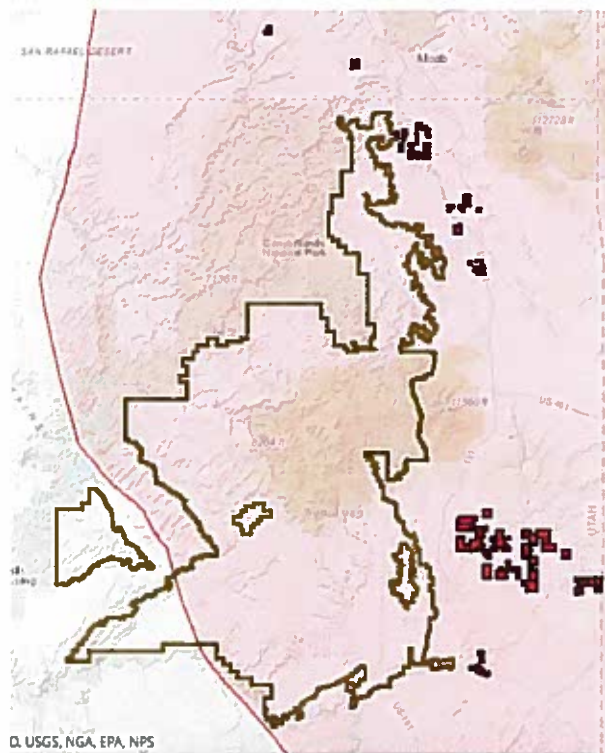
Clearly, the social cost of carbon provides a useful, valid, and meaningful tool for assessing the climate consequences of the proposed leasing, and the BLM’s failure to fully explain its decision not to use this tool is wholly inappropriate under NEPA. While we do not suggest that a comprehensive cost-benefit analysis is required, the agency must assess the economic costs of the project if it addresses the economic benefits of the project.

H. The BLM Fails to Discuss the Impacts to Bears Ears National Monument from Leasing the Proposed Parcels.

Last but not least, neither the EA nor the DNA (and the overarching MMLP or RMPs) discuss the impacts that will result from leasing parcels directly next to the southeastern corner of Bears Ears National Monument. Indeed, none of the BLM's maps even outline the boundaries of the Monument. This is despite the fact that the BLM acknowledges that "comments expressed concerns including, but not limited to, the effect of oil and gas development to cultural resources, units of the National Park Service (Canyonlands and Arches National parks and Hovenweep National Monument), the Bears Ears National Monument, and climate change." EA at 7, 71.

Under NEPA, a federal agency must determine whether direct, indirect, or cumulative impacts are significant by accounting for both the "context" and "intensity" of those impacts. 40 C.F.R. § 1508.27. Context "means that the significance of an action must be analyzed in several contexts such as society as a whole (human, national), the affected region, the affected interests, and the locality" and "varies with the setting of the proposed action." 40 C.F.R. § 1508.27(a). Intensity "refers to the severity of the impact" and is evaluated according to several additional elements, including, for example: **unique characteristics of the geographic area such as proximity to historic or cultural resources**; the degree to which the effects are likely to be highly controversial; the degree to which the possible effects are highly uncertain or involve unique or unknown risks; and whether the action has cumulatively significant impacts. *Id.* § 1508.27(b) (emphasis added).

Here, the BLM must at a minimum acknowledge the existence of the Monument and assess impacts on the Monument. Although the BLM argues that it has no direct mandate to analyze the impacts on monuments, it does have a duty to assess the context and intensity of impacts from the lease sale, including the impacts of the proposed action on "unique characteristics of the geographic area such as proximity to historic or cultural resources." *Id.* § 1508.27(b). As shown by the map below, the majority of the proposed March 2018 leases are near the Monument, and some parcels are directly next to the northern border of the Monument. Should oil and gas development occur, it could impact the viewshed from the Monument, create haze and noise, and reduce dark night skies in the area. These impacts are likely significant based on the unique geography of the Monument, the historic and cultural significant of the Monument, and the controversial nature of place new oil and gas wells next the Monument. By failing to even acknowledge the placement of the lease parcels next to the Monument, the BLM completely contravenes the requirements of NEPA to assess significance by weighing context and intensity.



III. Conclusion

In sum, the BLM's EA and DNA for the March 2018 oil and gas lease sale, and the overarching Moab Master Leasing Plan do not comply with NEPA or the MLA as discussed above. As a result, WildEarth Guardians requests that agency remove all of the leases from the lease sale until it completes its duties under NEPA.

Sincerely,

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